

FISCAL IMPACT STATEMENT ON BILL NO. **H. 4904**

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TO:	The Honorable Joe E. Brown, Chairman, House Medical, Military, Public and Municipal Affairs Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	R.J. Stein		
DATE:	April 19, 2006	SBD:	2006163

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AUTHOR:	Representative White	PRIMARY CODE CITE:	44-35-300
SUBJECT:	Cancer Drug Donation Program Act		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

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**BILL SUMMARY:**

House Bill 4904 amends Chapter 35, Title 44 of the Code of Laws of South Carolina, 1976, by adding Article 3 which creates the Cancer Drug Donation Program to be administered by the Department of Health & Environmental Control (DHEC). The Bill requires DHEC, in cooperation with the Board of Pharmacy, to promulgate regulations needed to implement the cancer drug donation. The Bill specifies that individuals who receive drugs under the State Medicaid program or under any prescription drug program funded by the State are not eligible to participate in this program. The Bill authorizes program participants (e.g., pharmacies, hospitals, physician's offices and health clinics) to charge a nominal fee, established by regulations, for distributing the drugs.

**EXPLANATION OF IMPACT:**

Department of Health & Environmental Control (DHEC)

The Department indicates that this new program would require 2.25 FTEs, including a part-time registered pharmacist to dispense medications. Personal Service costs (including fringe benefits) are estimated at \$162,425. Other Operating Expenses are estimated at \$11,408. An additional \$14,250 in Non-Recurring funds would be needed for office furnishings, computers and software. Therefore, first year costs can be estimated at \$188,083, while annual costs thereafter can be estimated at \$173,833.

**SPECIAL NOTES:**

The Bill authorizes DHEC health clinics (and other participants in the program) to charge drug recipients a nominal handling fee. However, the Department indicates that it is unlikely that a fee would be charged, since the drugs would be distributed to the clients least able to afford both the drugs and any fees.

Approved by:



Don Addy  
Assistant Director, Office of State Budget